



CONNECTICUT
LEGAL
RIGHTS
PROJECT, INC.

TESTIMONY OF KATHLEEN FLAHERTY, ESQ.
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APPROPRIATIONS COMMITTEE PUBLIC HEARING
FEBRUARY 16, 2017

GOVERNOR'S H.B. 7027: AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH 2019, AND MAKING APPROPRIATIONS THEREFOR.

Senator Formica, Senator Osten, Representative Walker and distinguished members of the Appropriations Committee:

Good afternoon. My name is Kathy Flaherty and I'm the Executive Director of Connecticut Legal Rights Project (CLRP), a statewide non-profit agency that provides legal services to low income adults with serious mental health conditions. CLRP was established in 1990 pursuant to a Consent Order which mandated that the state provide funding for CLRP to protect the civil rights of DMHAS clients who are hospitalized, as well as those clients who are living in the community. I'm also the Vice Chair of the Keep the Promise Coalition (KTP). KTP is a coalition of advocates (people living with mental health conditions, family members, mental health professionals and interested community members) with a vision of a state in which people with mental health conditions are able to live successfully in the community because they have access to housing and other community-based supports and services that are recovery oriented, person-driven and holistic in their approach to wellness. Lastly, I'm a member of the steering committee of the Connecticut Cross Disability Lifespan Alliance (an alliance of people of all ages with all disabilities who pursue a unified agenda.)

I am testifying today to register my concerns regarding the proposed budgets for the Department of Rehabilitation Services (DORS), the Department of Social Services (DSS) and the Department of Children and Families (DCF). A budget is more than a document including numbers relating to revenue and expenditures: it is a document which speaks to our fundamental values as a state. The choices we make in terms of where we spend money and where we get funding reflect who and what we think Connecticut should be.

DORS: The governor's budget proposal would eliminate state funding for the Centers of Independent Living, five independent nonprofit agencies which provide services and supports to people with disabilities that assist them in participating as full members of Connecticut's communities. The Centers help their clients develop lifelong independent living skills, find and maintain housing, and get jobs. The

Centers help people who would otherwise be unnecessarily institutionalized in nursing homes transition to the community under Money Follows the Person and other independent living center programs. The Centers prevent people from having to go to a nursing home by helping them access needed community-based services. The centers employ people with disabilities who are able to help both themselves and others with disabilities access the community supports and resources they need in order to be as independent as possible. They are a resource for benefits counseling. Most importantly, they save the state money – the investment that the state makes in the Centers for Independent Living results in people not needing to utilize more expensive systems of care.

DSS: The Department of Social Services is part of the safety net for Connecticut’s most marginalized and vulnerable residents – a safety net that is strained and shredding. Those Connecticut residents who are eligible for DSS benefits are already living on the margins; they are the individuals and families who can least afford additional expenses in their limited budgets. The governor’s budget proposal would:

- Eliminate the cap on prescription co-pays for individuals who are dually eligible for both Medicare and Medicaid.

“Dual eligibles” are individuals who are elderly, disabled, or both; many take multiple prescription medications to maintain their mental and/or physical health conditions. With a \$17/month cap on prescription co-pays, people would be able to effectively budget their limited funds; without a cap, people will be forced to make difficult choices – pay for medication, at an unknown price, or pay for necessary expenses to meet basic needs – such as rent, food, and utilities.

- Change the eligibility criteria for Medicare Savings Programs

Fewer people would be eligible for these programs, which help people pay the cost of their Medicare premium.

- Change the eligibility criteria for Husky A Parents

This change would result in 9,500 low income parents no longer being eligible for the program. The assumption is that these parents would be able to get insurance coverage through the exchange. Given the potential for repeal of the ACA with no clear replacement, the likelihood that these parents would purchase coverage is reduced.

- No Cost of Living Adjustment for TFA, SAGA, and State Supplement

Recipients of these benefits were scheduled to get a cost of living adjustment (COLA) each of the next two years. Benefit levels would instead remain the same.

- No pass through of Social Security COLA to State Supplement recipients

Effective in 2006, people receiving increased benefits from Social Security as the result of a cost of living adjustment would NOT have their state supplement benefits reduced, and would get the additional dollars in their pocket. This proposal would eliminate the pass through, meaning that an increase in Social Security would result in a decrease in State Supplement benefits, and income remaining the same.

- Reduction of the state Earned Income Tax Credit (EITC)

The governor's budget proposal would reduce the state EITC from 27.5% of the federal EITC to 25%. The state EITC supports low-income families, encourages work, and stimulates the economy by putting money directly into the hands of people who are most likely to spend it immediately.

Other proposals included in the governor's budget would:

- Reduce personal needs allowance for residents of nursing homes from \$60/month to \$50/month

These funds allow residents of nursing homes to pay for things not covered in the daily Medicaid nursing home rate (like haircuts, private phone, etc.)

- Cap Medicaid dental benefits at \$1000/year

The savings will come from dentists refusing to request, or not getting, prior authorization to provide dental services in excess of the \$1000 annual limit, or from dentists leaving the Medicaid program entirely due to the costly administrative burdens of keeping track of claims per person per year and requesting prior authorization where it is about to be exceeded.

- Reduce the burial benefit from \$1,200 to \$900.

DCF: I support the increase in funding for ACCESS Mental Health. This approach of this behavioral health consultation program was cited in the final report of the Sandy Hook Advisory Commission as an example of effective integration of behavioral health services and primary care to ensure more timely and appropriate mental health care for children in Connecticut, regardless of their insurance coverage or socio-economic status.